

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

9 7 — 2 6

2. STATE:

MO

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

October 1, 1997

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR

7. FEDERAL BUDGET IMPACT:

a. FFY 98 \$ 17,176,908

b. FFY 99 \$ 15,919,499

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Att. 4-19D

Page 52

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

Att. 4-19D

Page 52

10. SUBJECT OF AMENDMENT:

This amendment grants a 3.4% trend to nursing facilities for fiscal year 1998.

11. GOVERNOR'S REVIEW (Check One):

- ☒ GOVERNOR'S OFFICE REPORTED NO COMMENT *JP*  
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

*Gary J. Stangler*

13. TYPED NAME:

Gary J. Stangler

14. TITLE:

Director, Dept. of Social Services

15. DATE SUBMITTED:

12/22/97

16. RETURN TO:

Division of Medical Services  
615 Howerton Court  
Jefferson City, MO 65109

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

12/23/97

18. DATE APPROVED:

JUN 06 2001

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

10/1/97

20. SIGNATURE OF REGIONAL OFFICIAL:

*Thomas W. Lenz*

21. TYPED NAME:

Thomas W. Lenz

22. TITLE:

ARA for Medicaid and State Operations

23. REMARKS:

Martin

Yadner

Maize

FORM/00

SPA CONTROL

Date Submitted: 12/22/97

Date Received: 12/23/97

4. Minimum wage adjustment. Effective for payment dates on or after November 15, 1996, an increase of two dollars and forty-five cents (\$2.45) shall be granted to a facility's per diem to allow for the change in federal minimum wage. Utilizing fiscal year 1995 cost report data, the total industry hours reported for each payroll category was multiplied by the fifty cent (\$.50) increase, divided by the patient days for the facilities reporting hours for that payroll category and factored up by 8.67% to account for the related increase to payroll taxes. This calculation excludes the Director of Nursing, the Administrator and Assistant Administrator.

5. Minimum wage adjustment. All facilities with either an interim rate or a prospective rate in effect on September 1, 1997, shall be granted an increase to their per diem effective September 1, 1997 of one dollar and ninety-eight cents (\$1.98) to allow for the change in minimum wage. Utilizing fiscal year 1995 cost report data, the total industry hours reported for each payroll category was multiplied by the forty cent (\$.40) increase, divided by the patient days for the facilities reporting hours for that payroll category and factored up by 8.67% to account for the related increase to payroll taxes. This calculation excludes the Director of Nursing, the Administrator and Assistant Administrator.

6. FY-98 negotiated trend factor:

A. Facilities with either an interim rate or prospective rate in effect on October 1, 1997, shall be granted an increase to their per diem effective October 1, 1997, of 3.4% of the cost determined in paragraphs (11)(A)1., (11)(B)1., (11)(C)1. and the property insurance and property taxes detailed in paragraph (11)(D)3. of this regulation; or

B. Facilities that were granted a prospective rate based on paragraph (12)(A)2. that is in effect on October 1, 1995, shall have their increase determined by subsection (3)(S) of this regulation.

State Plan TN # 97-26  
Supersedes TN # 97-22

Effective Date: 10/01/97  
Approval Date: JUN 06 2001